

DATE: June XX, 2006
TO: PROSPECTIVE CONSULTANTS
SUBJECT: REQUEST FOR PROPOSAL (RFP)
HOUSING MARKETING STUDY

Dear Consultant:

The City of Milpitas requests written proposals and statements of qualifications for planning services to prepare a comprehensive assessment and analysis of the Milpitas housing market, including: 1) housing market conditions (existing and future trends), 2) land use analysis to support housing conditions, 3) supply and demand of housing types, 4) characteristics of the Milpitas housing market, 5) land use fiscal analysis, and 6) the need and demand for executive level homes within the City.

BACKGROUND INFORMATION

The City of Milpitas contains approximately 14 square miles, extending between the south end of San Francisco Bay and the Los Buellis Hills of the Mount Diablo Range in northern Santa Clara County. The City of Fremont (Alameda County) lies to the north and the City of San Jose (Santa Clara County) adjoins Milpitas to the south. Milpitas' sphere of influence includes 4 square miles of unincorporated Santa Clara County. The City's population is approximately 65,000 as of January 1, 2006 (State Department of Finance).

Milpitas General Plan Housing Element was found to be in compliance with state law in 2002. Pursuant to Association of Bay Area Governments (ABAG), Milpitas Regional Housing Needs Determination (RHND) allocation was the production of 4,348 housing units, which consist of:

- 668 Very Low-Income Units
- 351 Low-Income Units
- 1,146 Moderate-Income Units
- 2,153 Above Moderate-Income Units

To date, Milpitas has met approximately 77% (3,355 units) of its RHND requirements. Milpitas has two major specific plans which will substantially impact the proposed housing marketing study: 1) Midtown Specific Plan and 2) Transit Area Specific Plan. Milpitas next General Plan Housing Element is due on June 30, 2009.

Midtown Specific Plan

The Milpitas Midtown Specific Plan was adopted in 2003. The overall strategy in the Midtown Specific Plan is to create a mixed-use community that includes high-density transit oriented housing and a central community gathering place while maintaining needed industrial services and commercial uses. Overall, the Midtown Specific plan provides for up to 4,860 new dwelling units and supporting retail development, new office development in key locations; bicycle and pedestrian trails linking the area together and new parks to serve residential development.

Approximately 1,000 acres of land has been rezoned and designated to accommodate the Midtown Specific Plan. The plan is long-range plan, intended to guide development for the next 20 years. In some land in the Midtown Area is underdeveloped and readily developable over the short term, while other parcels may be redeveloped over a longer time frame. Copies of the Midtown Specific Plan will be made available with this RFP.

The Goals of the Midtown Specific Area are:

- Encourage a compatible mixture of residential, retail, office service-oriented commercial and industrial uses within Midtown Milpitas.
- Provide for a significant component of new housing within the area in order to: improve the vitality of the Midtown area; address local and regional housing needs; and reinforce the use of transit.
- Promote an intensity of development in Midtown that is appropriate to its central location.
- Provide for a land mix that supports major transit facilities.

Transit Area Specific Plan

The Milpitas Transit Area Plan was adopted in 2006. The plan builds upon previous planning studies to proposed transit-oriented residential and commercial redevelopment on the existing industrial land around a future BART station. The Transit Area Specific Plan identifies a range of 6,519-9,448 additional dwelling units to be development within the area. To support the residential development approximately 506,000-649,700 square feet of retail development is proposed. Specifically, the plan requires 200 square feet of commercial development for every 1,000 square feet of residential development. Two sites are identified for future hotel development, 40,000-50,000 square feet grocery store in the project area, a potential school site, and infrastructure improvements to accommodate future development.

Very High-density residential development in the Transit Area Specific Plan is proposed at least 41-60 units/per acre adjacent or near transit station. The Transit Area Specific Plan will permit up to 80 dwelling units/per area with a Transit-Oriented Development (TOD) Density Bonus for properties adjacent to the BART station. Copies of the Transit Area Specific Plan will be made available with this RFP.

The Goals of the Transit Area Specific Plan are:

- Fostering Milpitas image and regional identity.
- Strengthening and expanding Milpitas tax revenues.
- Providing housing and amenities and services, such as parks, schools, retail, and restaurants.
- Promoting residences and high intensity mixed-use development near transit.

PROPOSAL SUBMISSION REQUIREMENTS

The following information must be provided in the proposal so that the City may review your firm's qualifications and approach to this type of project:

Section 1. Statement of Qualifications: Include the names and qualifications of all firms proposed to work on the project. Also list all key personnel to be used on the project, their capacity or role, including applicable descriptions and dates of similar work these persons have been directly involved with (please be clear about duties performed). Specifically, include any previous work on housing marketing studies prepared for other municipalities. Resumes for all members of the proposed project team must be provided in an appendix to your proposal.

Section 2. Project Understanding and Approach: Describe your understanding of the project. Describe any unique or effective methods, tools, and processes that your firm plans to use to meet the City's goals and objectives of the RFP document.

Section 3. Scope of Services: A scope of services shall be provided with a breakdown of tasks and timing to complete the project and a detailed description of the methods for information gathering and analysis used in preparing the Housing Marketing Study to meet the City's objectives. Proposals should outline a process for gathering all necessary information, preparing the Housing Marketing Study. Describe which members of the project team will be responsible for various task(s) and attending Include a detailed description of any requested materials needed from the City. Attachment A to this RFP is a City generated Scope of Services. Please review this scope and incorporate the City identified tasks into your proposed Scope of Services. If, in your professional judgment, the City provided scope of services should be expanded or edited, please feel free to do so in your proposal. Be sure to explain why you are recommending adding or deleting certain work requirements.

Section 4. References: Please list reference projects by title and location. Include a short description, state which key personnel proposed for the Milpitas project worked on the reference project and provide a contact name and number.

Section 5. Fee Estimate: Provide a not to exceed fee estimate for preparation of the housing marketing study. The cost estimates provided by the consultant shall reflect detailed projected work hours per the scope of services, including hourly rates of compensation for staff, overhead charges for managing sub-consultants, travel, and production costs, etc. Cost estimates shall include contingencies with upper limits. Include all assumptions made in arriving at the quoted figures.

Section 6. Schedule: Provide schedule and time frame to complete project. The schedule must reference all key steps identified in the scope of work.

SELECTION PROCESS

The City will review the proposals. The firms determined to be most capable of meeting the City's needs will be invited for an interview by the Consultant Review Board. It is the City's intention to convene a Consultant Review Board to interview the most qualified firms in August 2006. Approximately three consultant teams will be invited for an interview. The interview will consist of seven to ten questions relating to the project management, administration and consultant experience. Formal presentations of the firm's history or personnel experience of the proposed project members will be allowed, but limited in time.

A consultant's final placement will be based on the rating of the Review Board and completion of satisfactory reference checks. The City will select the most qualified consultant and negotiate scope of work and fee soon after. A sample copy of a standard City contract agreement is included as Attachment B. If you have any concerns over the standard contract agreement requirements, please address them in your proposal; otherwise, the City will assume all of the terms of our standard contract are agreeable.

SELECTION CRITERIA

The following criteria will be used in rating the proposals:

- Experience of firm(s) and understanding of state laws governing the preparation of the Housing Marketing Studies;
- Demonstrated experience with similar projects;
- Experience of key personnel assigned to project;
- References;
- Responsiveness to RFP;
- Quality of proposal submittal;
- Current workload of firm;
- Ability to complete the project in a timely manner;
- Description of resources, including personnel, to conduct each phase of the project;
- Written guarantees or assurances that the proposed team will be assigned to the project

TIMELINE

Five complete copies of each proposal must be provided. Each Section of the proposal shall be clearly labeled and tabbed for easy reference. The five copies shall be provided to the City in a sealed envelope by Friday, **July 28, 2006 at 5:00 p.m.** The proposals may be mailed to the mailing address below, but must arrive by the August 18th deadline. Proposals may be sent overnight mail service or walked-in to the address identified for "walk-in" below.

Mailing Address

City of Milpitas
455 E. Calaveras Blvd.
Milpitas, CA 95035

Walk-In/Overnight Mail Address

City of Milpitas
455 E. Calaveras Blvd.
Milpitas, CA 95035

Attn: Felix J. Reliford, Principal Housing Planner

Any questions regarding this proposal, please contact Felix Reliford at (408) 586-3071 or freliford@ci.milpitas.ca.gov.

The following is an outline of the anticipated schedule for proposal review and contract award:

<i>Issue RFP</i>	<i>06/26/06</i>
<i>Proposal due date</i>	<i>07/28/06 at 5:00 p.m.</i>
<i>Complete proposal evaluation completed</i>	<i>08/11/06</i>
<i>Conduct finalist interviews</i>	<i>Week of August 21-25, 2006</i>
<i>Execute Contract</i>	<i>09/05/06 or 09/19/06</i>

REMINDER: *In order to be considered, all proposal packets must be submitted by 5:00 p.m. on Friday, July 28, 2006. No late proposals will be accepted.*

MISCELLANEOUS NOTES:

The City reserves the right to reject any proposal as non-responsive if the proposal fails to include any requested information. This RFP and interview process shall in no way be deemed to create a binding contract or agreement of any kind between the City of Milpitas and the candidates.

Each candidate submitting a proposal in response to this RFP acknowledges and agrees that the preparation of all materials for submittal to the City and all presentations, related costs and travel expenses are at the candidate's sole expense and the City shall not, under any circumstances, be responsible for any cost or expenses incurred by the candidate. In addition, each candidate acknowledges and agrees that all documentation and/or materials submitted with the RFP shall remain the property of the City.

Consultant shall identify any sections of this proposal that they disagree with in regards to content, scope of services provided references, selection process, etc. Selected consultant will be required to execute the standard Milpitas Consultant Services Agreement (see attached example).

ATTACHMENTS-Consultant Resources

- (A) Scope of Services
- (B) Standard Consultant Services Agreement

ATTACHMENT A

City of Milpitas Proposed Scope of Services

Consultant shall provide the following services:

- Provide a comprehensive assessment and analysis of the Milpitas housing market, including: 1) housing market conditions (existing and future trends), land use analysis to support housing conditions, 3) supply and demand of housing types, 4) characteristics of the Milpitas housing market, and 5) the need and demand for executive level homes within the city.
- Initial meeting with Planning and Neighborhood Preservation staff to gain a comprehensive understanding of the Scope of Services required from the Housing Marketing Study, and implementation of the
- Prepare the Housing Marketing Study to include the following:
 - a. **Review of Housing Market Conditions**-Review and analysis of Milpitas housing market conditions existing and potential trends on the types of housing that is needed, based on population, income, age and conditions of existing housing stock, and other economic and market factors that may impact Milpitas housing market.
 - b. **Land Use Analysis**-Review and inventory of Milpitas land use patterns and trends for residential development, including land that has been rezoned or designated for residential use from previous commercial and industrial sites.
 - c. **Supply and Demand**-Based on the housing market conditions and land use analysis, determine the supply and demand for the various types of housing needs (for-sale, rental, single-family homes, townhomes, condominiums, executive style type homes, etc.).
 - d. **Characteristics of Milpitas Housing Market**-Identify and analysis the characteristics of the Milpitas Housing Market, what is unique, special, and/or different about the Milpitas housing market. What impact does these trends/ characteristics have on future decision-making process?
 - e. **Land Use Fiscal Analysis**-Identify and describe the land use fiscal analysis association for the Milpitas Housing Market, specifically short-term and long term economic impacts such as estimated infrastructure costs, amenities required to attract executive style housing, local services (police/fire, etc.), balance between commercial, Industrial and residential development and
 - f. **Need and Demand for Executive Level Homes**-Determine the need and demand for executive level homes with Milpitas, specifically what are reasonable and realistic Expectations (custom built homes in Milpitas Hillside, high price penthouse condomniums, luxury style homes, etc.).

- g. **Additional Topics**-Address any additional topics, which may not be included in this proposal to assist the City of Milpitas in have a better understanding and working knowledge of its existing and future housing market within the next 5 years.
- h. **Executive Summary**-Prepare Executive Summary on the housing market study including the results and conclusions.
- i. **Results and Conclusions**-Based on the housing marketing study analysis, prepare a lists of general results and conclusions that are formatted from the housing study.
- j. **Attending Public Meetings**-Attend at least two public meetings before Milpitas City Council to present the Housing Market Study and the results and conclusions.